



Billing code 6325-39-P

Office of Personnel Management

5 CFR Part 532

RIN 3206-AN76

**Prevailing Rate Systems; Special Appropriated Fund Wage Schedules
for U.S. Insular Areas**

AGENCY: Office of Personnel Management.

ACTION: Proposed rule with request for comments.

SUMMARY: The Office of Personnel Management (OPM) is issuing a proposed rule that would amend the special appropriated fund wage schedules for U.S. insular areas, to designate the Department of Defense (DOD) as the sole lead agency for American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, Midway, and the U.S. Virgin Island. The Federal Prevailing Rate Advisory Committee (FPRAC) approved this change by consensus.

DATES: We must receive comments on or before **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

ADDRESSES: You may submit comments, identified by docket number and/or Regulatory Information Number (RIN) and title, by the following method:

- Federal Rulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.

All submissions received must include the agency name and docket number or RIN for this document. The general policy for comments and other submissions from members of the public

is to make these submissions available for public viewing at <http://www.regulations.gov> as they are received without change, including any personal identifiers or contact information.

FOR FURTHER INFORMATION CONTACT: Madeline Gonzalez, by telephone at (202) 606-2838 or by email at *pay-leave-policy@opm.gov*.

SUPPLEMENTARY INFORMATION: OPM is issuing a proposed rule to amend section 532.259(a) of title 5, Code of Federal Regulations. This section provides that lead agencies establish and issue special wage schedules for U.S. civil service wage employees in certain U.S. insular areas.

When the Federal Wage System (FWS) was established in 1972, certain agency policies and practices, including the special wage schedules for U.S. civil service wage employees in certain U.S. insular areas, were continued as special schedules under the FWS. These U.S. insular areas special schedules are currently codified in 5 CFR 532.259. Section 532.259(a) lists DOD as the lead agency for Guam, Midway, and the U.S. Virgin Islands; the Department of Transportation (DOT) as the lead agency for American Samoa; and the Department of the Interior (DOI) as the lead agency for the Commonwealth of the Northern Mariana Islands. DOT was given lead agency responsibility for American Samoa and DOI was given lead agency responsibility for the Commonwealth of the Northern Mariana Islands because they were the only agencies with wage employees in those duty locations at the time the original lead agency determinations were made.

The Department of the Army now has five wage employees in American Samoa. DOI has two wage employees in American Samoa and four wage employees in the Commonwealth of the Northern Mariana Islands. DOT no longer has wage employees in American Samoa.

Under 5 CFR 532.259(b), the special schedules for U.S. insular areas must be established

at the same time and with rates identical to the foreign area appropriated fund wage schedules established under section 532.255. DOD is the lead agency for the foreign area appropriated fund wage schedules.

Since these U.S. insular areas special schedules must be identical to the foreign wage schedule issued by DOD, the administration of the U.S. insular areas wage schedules would be streamlined if DOD becomes the sole lead agency issuing these special schedules. DOT and DOI agree with this determination.

FPRAC, the national labor-management committee responsible for advising OPM on matters concerning the pay of FWS employees, reviewed and concurred by consensus with these changes. These changes would apply on the first day of the first applicable pay period beginning on or after 30 days following publication of the final regulations.

Regulatory Impact Analysis

This action is not a “significant regulatory action” under the terms of Executive Order (EO) 12866 (58 FR 51735, October 4, 1993) and is therefore not subject to review under EO 12866 and 13563 (76 FR 3821, January 21, 2011)

Reducing Regulation and Controlling Regulatory Costs

This proposed rule is not expected to be subject to the requirements of EO 13771 because this proposed rule is not significant under EO 12866.

Regulatory Flexibility Act

OPM certifies that this proposed rule will not have a significant economic impact on a substantial number of small entities because they will affect only Federal agencies and employees.

Federalism

We have examined this rulemaking in accordance with Executive Order 13132, Federalism, and have determined that this proposed rule will not have any negative impact on the rights, roles and responsibilities of State, local, or tribal governments.

Civil Justice Reform

This proposed regulation meets the applicable standard set forth in Executive Order 12988.

Unfunded Mandates Act of 1995

This proposed rule will not result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of \$100 million or more in any year and it will not significantly or uniquely affect small governments. Therefore, no actions were deemed necessary under the provisions of the Unfunded Mandates Reform Act of 1995.

Congressional Review Act

This action pertains to agency management, personnel, and organization and does not substantially affect the rights or obligations of nonagency parties and, accordingly, is not a “rule” as that term is used by the Congressional Review Act (Subtitle E of the Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA)). Therefore, the reporting requirement of 5 U.S.C. 801 does not apply.

Paperwork Reduction Act

This proposed rule does not impose any new reporting or record-keeping requirements subject to the Paperwork Reduction Act.

List of Subjects in 5 CFR Part 532

Administrative practice and procedure, Freedom of information, Government employees, Reporting and recordkeeping requirements, Wages.

Office of Personnel Management.

Alexys Stanley,

Regulatory Affairs Analyst.

Accordingly, OPM is proposing to amend 5 CFR part 532 as follows:

PART 532--PREVAILING RATE SYSTEMS

1. The authority citation for part 532 continues to read as follows:

Authority: 5 U.S.C. 5343, 5346; § 532.707 also issued under 5 U.S.C. 552.

2. Section 532.259 is amended by revising paragraph (a) to read as follows:

§ 532.259 Special appropriated fund wage schedules for U.S. insular areas

(a) The lead agency shall establish and issue special wage schedules for U.S. civil service wage employees in certain U.S. insular areas. The Department of Defense is the lead agency for American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, Midway, and the U.S. Virgin Islands. These schedules shall provide rates of pay for nonsupervisory, leader, supervisory, and production facilitating employees.

* * * * *